

F. P. McFARLAND  
TOOELE, UTAH  
Phone-(801) 882-2174

S. K. HULLINGER  
TOOELE, UTAH  
Phone-(801) 882-5306

## McFARLAND AND HULLINGER

MINING • ORE HAULING • CONTRACTING

PHONE: TOOELE (801) 882-0103

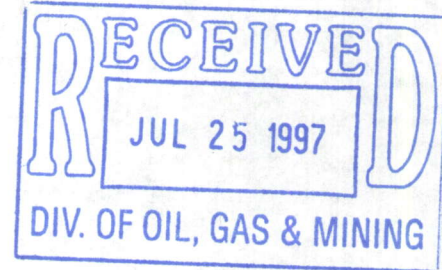
SALT LAKE CITY: (801) 363-1683

P.O. BOX 238

TOOELE, UTAH 84074

July 21, 1997

Mike Ford  
Geologist  
Pony Express Resource Area  
Bureau of Land Management  
Salt Lake District Office  
2370 South 2300 West  
Salt Lake city, Utah 841119



Re: Amendment to our 1995 Notification of Intent to Commence Mining of High Grade Silica Ore Primarily in Section 28 T1N R6W SLB&M - This concerns an access road.

Dear Mr. Ford:

In amending our original Notification of Intent to mine our high grade silica deposit, we are enclosing the following information:

1. A map delineating the proposed access road.
2. A professional engineer's assessment of reclamation costs relative to the mine.
3. The bonding information regarding reclamation of the entire mine site.

We thank you for taking the time to visit our operation on Stansbury Island and discussing alternatives for placement of an access road to the main water marker which is the upper limit of our pit. We agree with you that the least intrusive access road would be essentially a straight line road from the top of the limestone ridge to the northeast corner of our upper pit limit. We have enclosed information regarding this access road as follows:

### EXHIBIT 1

We have superimposed a drawing of the proposed access road over our initial drawing of our mine site. The colored area shows the access road. We have also flagged this route for your convenience and for the convenience of others who visit the site. It is our intention that this road would disturb less than **.20 ACRES.**

## **EXHIBIT 2**

Exhibit 2 is a photograph with the white tape showing the approximate location of the access road.

## **BONDING**

McFarland and Hullinger has acquired a security bond in the amount of \$15,000, assuring the completion of the reclamation of the mine site. We did not do this in our original notification, but understand that it is now required. **EXHIBIT 3** is information regarding this bond.


## **PROFESSIONAL ENGINEER'S ASSESSMENT OF RECLAMATION COSTS**

We acquired the services of Alan Bargerstock, a professional engineer, to determine the reclamation costs of the mine site. He was asked to determine costs as if the reclamation was being completed by a third party contractor. Mr. Bargerstock determined the costs to be \$12,450 for reclamation, which is well within our bonded limit of \$15,000. His report is attached as **EXHIBIT 4**.

## **FINAL COMMENTS**

As always, we stand ready to discuss any of these issues with you and hope to continue to maintain a solid working relationship with you and other Bureau of Land Management personnel.

Yours very truly,



Sidney K. Hullinger  
CEO

SKH/cjw

Enclosures

## **RECLAMATION OF McFARLAND AND HULLINGER SILICA MINE STANSBURY ISLAND**

I was asked to determine reclamation costs for a complete closure of the five acre McFarland and Hullinger silica mine site on Stansbury Island, Tooele County, Utah. The mine is located primarily in Section 28 T1N R6W SLB&M with some peripheral activity in Section 21 of the same township. I have considered this reclamation for three separate areas (1) mine site roads, (2) mine site working and crushing pad, and (3) the open pit mine area. The total cost for the reclamation is \$12,450, and was determined as follows:

### **PIT ROADS**

Considering existing roads, the proposed access road to the upper water marker, and expected slight expansion of the road network, I have determined that there will be eventually be no more than one acre of roads to reclaim. Roads will have to be contoured to the natural landscape, scarified, covered with stockpiled top soil as required, and then the area will be planted with native seed as recommended by the BLM. The cost of this portion will be \$4,250 per acre.

### **WORKING AND CRUSHING PAD**

This area involves almost two acres and this will require the removal of rocks that currently form the "rock fence". Then the area will be scarified and contoured to the natural landscape. Where necessary, stockpiled soils will be used as cover and the area will also be re-seeded. The cost of this section has been determined to be \$2,750 per acre or not more than \$5,500 total.

### **OPEN PIT MINE AREA**

The mine area will be left with the final benches in place. A four foot high berm will be placed on the edge of each bench. The end of each bench will be blocked with either a large dirt berm or with large rocks. All pit walls will then be scaled just prior to final closure. The pit area will not exceed two acres and the cost per acre is \$1,350 and will not exceed \$2,700.

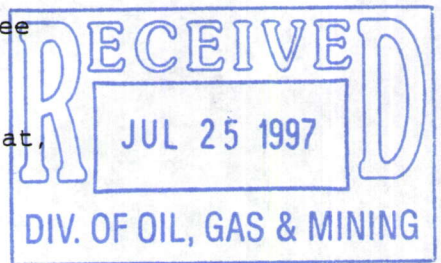
In my professional judgment, the above represents today's market price for performing the reclamation work in question.

*Alan L. Bergerstock*  
7/21/97





UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
Certification of Financial Guarantee  
43 CFR 3809



I, SIDNEY K. HULLINGER, residing at,

473 WEST VINE  
(Street)

TOOELE, UTAH, 84074  
(City) (State) (Zip Code)

(801) 882-5306 (home telephone number)  
(801) 882-0103 (office telephone number)  
87-0152-2362 (social security number or employer identification number)

and being the operator, the mining claimant, or the duly authorized agent of either the operator or the mining claimant responsible for the activities described in the attached notice dated, JULY, 21, 1997 and filed pursuant to 43 CFR 3809.1-3, do hereby certify pursuant to 43 CFR 3809.1-9(c):

(1) I shall undertake or shall cause the undertaking of all reclamation measures described in 43 CFR 3809.1-3 and any other measures set forth in written correspondence between myself and BLM.

SKH  
(Initials)

7/21/97  
(Date)

(2) I shall notify the authorized officer in writing upon completion of the measures to arrange for a final inspection.

SKH  
(Initials)

7/21/97  
(Date)

(3) A financial guarantee in the amount of \$\_\_\_\_\_/acre or \$ 15,000 has been executed and will be available to the Bureau of Land Management until released under the provisions of 43 C.F.R. 3809.1-9(m).

That financial guarantee consists of:

a Surety Bond  
American Casualty Company of Reading, PA  
830 S. 500 East Hill  
Salt Lake City Utah 84102

\_\_\_\_\_(Describe the financial guarantee).

The said financial guarantee is located or held by:

The Surety Bond is located with  
the M-Farm & Hullinger Safe  
915 NO Main  
Town, UT 84074

\_\_\_\_\_(list state agency bond, or third party surety bond, or cash deposit and bank, or attach letter of credit).

SKH  
(Initials)

7/21/97  
(Date)

(4) I will surrender the financial guarantee described in paragraph 3 above upon receipt of a written demand by the BLM. I will deliver or cause to be delivered, the financial guarantees described in paragraph 3 above within 45 days of the demand by the BLM, unless authorized, in writing, an additional time not to exceed 45 days.

SJS  
(Initials)

7/21/97  
(Date)

(5) In the event that the costs of reclamation carried out by the BLM exceed the amount of the financial guarantee, I acknowledge that I shall remain liable for the required reclamation.

SJS  
(Initials)

7/21/97  
(Date)

(6) I acknowledge that release of the requirement to maintain the financial guarantee does not release or waive any claim the BLM may have under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et seq., or any other applicable statutes or regulations.

SJS  
(Initials)

7/21/97  
(Date)

(7) I acknowledge that non-existence of the financial guarantee described in paragraph 3 above, or my failure to deliver or cause to be delivered the financial guarantee, within the specified timeframes may lead to criminal prosecution under 18 U.S.C. § 1001 or 43 U.S.C. § 1733 and any other applicable authorities.

SJS  
(Initials)

7/21/97  
(Date)

Sidney K. Hullinger  
(Signature)

7/21/97  
(Date)

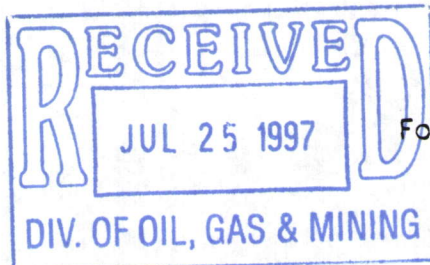
CHIEF EXECUTIVE OFFICE - MCFARLAND AND HULLINGER  
(Title)



5-46



FORM MR-SMO  
(Revised 2/88)



For Division Use:

File No.: \_\_\_\_\_

DOGM Lead: \_\_\_\_\_

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340

### NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" means mining operations which disturb five or less surface acres at any given time.

\* \* \* \* \*

#### I. GENERAL INFORMATION (Rule R613-003-104)

1. Name of Claim/Mine: SI02 1 thru 6 - mining and crushing on SI02 #5  
with some overlap on SI02 #4.
2. Name of Operator/Applicant: McFarland and Hullinger  
Company ( ) Corporation ( ) Partnership (x) Individual ( )
3. Permanent Address: 915 North Main Street  
City: Tooele State: Utah Zip Code: 84074  
Telephone Number: ( 801 ) 882-0103
4. Ownership of Land Surface:  
Private (Fee) ☐ Public Domain (BLM) ☒ National Forest (USFS) ☐  
State of Utah ☐ Other: \_\_\_\_\_
5. Ownership of Minerals:  
Private (Fee) ☐ Public Domain (BLM) ☒ National Forest (USFS) ☐  
State of Utah ☐ Other: \_\_\_\_\_

Utah Mining Claim Number(s) UMC 326963 thru UMC 326968  
mining and crushing will be on UMC 326967 with some overlap on UMC 326968

Utah State Lease Number(s) \_\_\_\_\_

6. Have the above owners been notified in writing? Yes X No \_\_\_\_  
If no, why not? \_\_\_\_\_

7. Does the operator have legal right to enter and conduct mining operations on the land covered by this notice? Yes X No \_\_\_\_

II. PROJECT LOCATION & MAP (Rule R613-003-105)

1. Project Location:

County(ies): Tooele

Claim #5	1/4, 1/4: <u>NW, NE</u>	Section: <u>28</u>	Township: <u>T1N</u>	Range: <u>6W</u>
Claim #4	1/4, 1/4: <u>NW</u>	Section: <u>28</u>	Township: <u>T1N</u>	Range: <u>6W</u>
	1/4, 1/4: _____	Section: _____	Township: _____	Range: _____

2. A topographic base map showing the location of the proposed small mining operation must be submitted with this notice. A USGS 7.5 minute series map is preferred. The areas to be disturbed should be plotted in sufficient detail so that they can be located on the ground. It is recommended that the operator also plot and label any previous disturbances in the immediate vicinity that he is not responsible for.

III. OPERATION PLAN (Rule R613-003-106)

1. Type of mining: Surface ☒ Underground ☐

2. Mineral(s) to be mined: Quartzite--high grade silica (metallurgical as well as glass grade silica)

3. Provide a brief description of the proposed mining operation and onsite processing facilities. We will mine directly on the slope of the large deposit of silica on claim #5 and will mine on 20 foot benches using a standard mining operation. After mining, we will complete primary, secondary, and tertiary crushing of mined ore down to -8 mesh. All production material will be removed from the site, thus there will be no waste dumps. We will store crushed material on site pending delivery to customers. (There will be a light overlap on claim #4.) Claims 4 and 5 extend into section 21, but no mining will take place in section 21 (see attached claim map).  
New Road(s): Length None (ft) Width \_\_\_\_\_ (ft)

Total project surface acreage to be disturbed 4.7 (acres)



IV. OPERATION AND RECLAMATION PRACTICES (Rule R613-003-107 & 108)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining:

1. Keep the mining operation in a safe, clean, and environmentally stable condition.
2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6. Remove all waste or debris from stream channels.
7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
8. Conduct mining activities so as to minimize erosion and control sediment.
9. Reclaim all roads that are not part of a permanent transportation system.
10. Stockpile topsoil and suitable overburden prior to mining.
11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by ripping, discing, or harrowing.
13. Reseed disturbed areas with adaptable species. (The Division recommends seeding 20 lbs./acre of native and introduced species of grass, forb, and browse seed, and will provide a specific species list if requested.)

14. Plant the seed with a rangeland or farm drill, or if broadcast seeded, harrow or rake the seed 1/4-1/2 inch into the soil - fall is the preferred time to seed. (The Division also recommends broadcast fertilization at the time of seeding of 200 lbs./acre of diammonium phosphate 18-46-0.)

V. VARIANCE REQUEST (Rule R613-003-109)

Yes ☐ No ☒

Any planned deviations from Rules R613-003-107, Operation Practices, R613-003-108, Hole Plugging Requirements, or R613-003-109, Reclamation Practices, as summarized above, should be identified below and justification given for the variance request(s).

<u>Item Number</u>	<u>Variance Request Justification</u>

## VI. SIGNATURE REQUIREMENT

I hereby commit to the reclamation of the aforementioned exploration project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.

Signature of Operator/Applicant: \_\_\_\_\_  
 Name (typed or print): Sidney K. Hullinger  
 Title/Position (if applicable): General Partner  
 Date: December 2, 1994